



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 23, 2004

H.R. 3598

Manufacturing Technology Competitiveness Act of 2004

As ordered reported by the House Committee on Science on June 16, 2004

SUMMARY

CBO estimates that H.R. 3598 would authorize the appropriation of about \$2.6 billion for fiscal years 2005 through 2008 for programs administered by the National Institute of Standards and Technology (NIST). Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 3598 would cost \$359 million in 2005 and \$2.45 billion over the 2005-2009 period. Enacting this bill would not affect direct spending or revenues.

H.R. 3598 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3598 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars					
	2004	2005	2006	2007	2008	2009
SPENDING SUBJECT TO APPROPRIATION						
NIST Spending Under Current Law						
Budget Authority ^a	610	0	0	0	0	0
Estimated Outlays	356	217	71	25	7	0
Proposed Changes						
Estimated Authorization Level	0	618	646	675	695	0
Estimated Outlays	0	359	535	609	668	276
NIST Spending Under H.R. 3598						
Authorization Level ^a	610	618	646	675	695	0
Estimated Outlays	356	576	606	634	675	276

a. The 2004 level is the amount appropriated for that year.

BASIS OF ESTIMATE

CBO estimates that implementing H.R. 3598 would cost \$359 million in 2005 and \$2.45 billion over the 2005-2008 period, assuming appropriation of the necessary amounts. For this estimate, CBO assumes that amounts authorized would be appropriated near the beginning of each fiscal year and that outlays would follow historical spending patterns of NIST programs.

The bill would specifically authorize the appropriation of about \$2.4 billion for fiscal years 2005 through 2008 for various programs administered by NIST, including four new grant programs that would be established under the bill. Estimated outlays from these specified amounts would total about \$2.3 billion over the 2005-2009 period.

In addition, the bill would authorize such sums as may be necessary for fiscal years 2005 through 2008 for the construction and maintenance of NIST research facilities. To estimate those amounts, CBO adjusted the amount provided to NIST for facility construction and maintenance in 2004 for anticipated inflation over the next four years. We estimate that implementing these provisions would require appropriations for NIST research facilities of \$266 million over the four-year authorization period. We estimate outlays from such funds would total about \$150 million over the 2005-2009 period.

Finally, H.R. 3598 would provide for an interagency committee on research and development in the field of manufacturing and an advisory committee to provide recommendations to the interagency committee. According to the Department of Commerce, two committees that operate under current law would carry out these new responsibilities at no additional cost.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3598 contains no intergovernmental or private-sector mandates as defined in UMRA. State agencies, as partners with manufacturing companies, could apply for grants, which would require matching funds. Further, to the extent that public universities apply for and receive grants, they would be required to match federal funds as a condition of those grants. These costs would be voluntary.

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